

By: Romero, Jr.

H.B. No. 60

A BILL TO BE ENTITLED

AN ACT

relating to requiring a credit access business to verify the vehicle identification number used to obtain a motor vehicle title loan.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter G, Chapter 393, Finance Code, is amended by adding Section 393.630 to read as follows:

Sec. 393.630. VERIFICATION OF MOTOR VEHICLE USED TO OBTAIN MOTOR VEHICLE TITLE LOAN. (a) A credit access business may not obtain for a consumer or assist a consumer in obtaining an extension of consumer credit in the form of a motor vehicle title loan unless the credit access business first:

(1) physically inspects the vehicle used as collateral to obtain the extension of consumer credit;

(2) photographs the vehicle identification number located on the vehicle used as collateral to obtain the extension of consumer credit; and

(3) verifies that the vehicle identification number of the motor vehicle used as collateral to obtain the extension of consumer credit matches the vehicle identification number on the title provided to obtain the extension of consumer credit.

(b) A credit access business must retain a photograph taken as required by Subsection (a)(2) until the second anniversary of the date the extension of consumer credit is made.

1 SECTION 2. The changes in law made by this Act apply only to
2 an extension of consumer credit made on or after the effective date
3 of this Act. An extension of consumer credit made before the
4 effective date of this Act is governed by the law in effect on the
5 date the extension of consumer credit was made, and the former law
6 is continued in effect for that purpose.

7 SECTION 3. This Act takes effect September 1, 2017.